



IN THE MATTER OF
the Utilities Commission Act, R.S.B.C. 1996, Chapter 473

and

An Application by Squamish Gas Co. Ltd.
for Approval to Increase Natural Gas Customer Rates

BEFORE: P. Ostergaard, Chair)
K.L. Hall, Commissioner) March 18, 2003
R.H. Hobbs, Commissioner)

O R D E R

WHEREAS:

- A. On March 7, 2003, Squamish Gas Co. Ltd. ("Squamish Gas") applied to the Commission for approval to increase its natural gas Large General Service ("LGS") customer rates, Competitive Range Rates ("CRR") and Apartment Customer Rates ("ACR-1"), effective April 1, 2003 ("the Application") under the terms of the Vancouver Island Natural Gas Pipeline Act; and
- B. Pursuant to Section 5.01(d) of the Squamish Rate Stabilization Agreement between the Province and Squamish Gas ("the Squamish RSA"), the Squamish Gas natural gas rates are set based on the competitive fuel price. Under the Squamish RSA rates are set at the lesser of the Competitive Fuel Oil Price less a stated discount on Schedule "A" or 67 percent of the British Columbia Hydro and Power Authority ("B.C. Hydro") trailing block rate for residential service. At existing B.C. Hydro rates, the maximum rate that can be charged to natural gas customers is \$10.74 per gigajoule; and
- C. The stated discount in Schedule "A" of the Squamish RSA ended on December 31, 2001 and by Order No. G-98-02, the Commission accepted a Squamish Gas request to approve rate changes with a stated discount no longer being applicable; and
- D. The Commission has reviewed the Squamish Gas application and finds that approval is required.

NOW THEREFORE the Commission orders as follows:

1. The Commission approves for Squamish Gas increases in rates to LGS, CRR and ACR-1 customers effective April 1, 2003 as follows:

	<u>Jan.1/03</u> <u>Current Rate</u> (\$/GJ)	<u>Apr. 1/03</u> <u>New Rate</u> (\$/GJ)	<u>Percentage Change</u> Increase
LGS-1	9.78	10.74	9.82%
LGS-11	9.78	10.74	9.82%
LGS-2	9.21	10.50	14.01%
LGS-12	9.21	10.50	14.01%
LGS-3	8.64	9.85	14.00%
LGS-13	8.64	9.85	14.00%
CRR-Top	8.64	9.85	14.00%
CRR-Bottom	7.08	8.08	14.12%
ACR-1 (200)	9.83	10.74	9.26%
ACR-1 (600)	9.05	10.32	14.03%
ACR-1 (2000)	9.05	10.32	14.03%
ACR-1 (6000)	9.05	10.32	14.03%

2. Squamish Gas is to inform all affected customers of the April 1, 2003 rate changes by way of a customer notice included in the next billing.

DATED at the City of Vancouver, in the Province of British Columbia, this 20th day of March 2003.

BY ORDER

Original signed by:

Peter Ostergaard
Chair